

Model No. 3 Less Optimistic

Missouri Trust Fund Projection with U.S. Department of Labor Benefit Financing Model

Projected IURs for calendar years 2009-2013 are the average quarterly IURs for the five-year period 1990-1994.

The five-year period was selected after collaboration with the USDOL in order to determine a less optimistic economic cycle.

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Unemployment Rate (TUR)	5.26%	5.11%	5.93%	5.93%	5.93%	5.93%	5.93%	5.11%	5.11%	5.11%
Insured Unemployment Rate (IUR)	2.49%	2.40%	2.90%	2.90%	2.90%	2.90%	2.90%	2.40%	2.40%	2.40%
Interest Rate Earned by Trust Fund	4.30%	4.30%	4.60%	4.80%	4.90%	5.00%	5.00%	5.00%	5.00%	5.00%
Maximum Weekly Benefit Amount (MWBA)	\$280	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320
Taxable Wage Base (TWB)	\$11,000	\$12,000	\$12,500	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000
Tax Range	0-6%	0-6%	0-6%	0-6%	0-6%	0-6%	0-6%	0-6%	0-6%	0-6%
Contribution Rate Adjustment (CRA)	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
Total Contributions Received	\$566,737,687	\$597,493,779	\$583,346,927	\$581,740,094	\$609,282,495	\$630,885,473	\$618,613,160	\$606,197,295	\$602,455,316	\$577,405,281
Total Benefits Paid	\$428,256,163	\$497,477,662	\$604,024,885	\$612,541,264	\$624,731,496	\$644,361,525	\$661,138,511	\$556,390,493	\$565,944,646	\$574,066,384
Trust Fund Balance First Quarter	\$28,045,501	\$21,853,979	\$99,487,665	\$77,255,548	\$51,862,911	\$41,597,457	\$30,077,036	\$17,645,526	\$78,730,286	\$123,806,712
Trust Fund Balance Second Quarter	\$88,044,942	\$209,844,617	\$267,426,591	\$243,723,238	\$235,167,265	\$235,443,036	\$211,213,088	\$222,357,234	\$280,955,048	\$309,702,769
Trust Fund Balance Third Quarter	\$121,399,560	\$239,739,423	\$265,593,522	\$243,243,482	\$236,367,879	\$234,224,959	\$198,116,659	\$232,495,643	\$284,956,575	\$305,709,589
Trust Fund Balance Fourth Quarter	\$108,843,895	\$216,621,366	\$205,792,002	\$184,257,509	\$177,598,378	\$172,869,015	\$137,951,445	\$195,920,279	\$243,386,285	\$259,248,734
Calendar Year (CY) Interest Earned by Trust Fund	\$3,941,145	\$7,761,355	\$9,848,594	\$9,266,676	\$8,789,870	\$8,746,689	\$7,607,781	\$8,162,032	\$10,955,336	\$12,523,552
Outstanding Title XII Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Outstanding Bonded Indebtedness	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CY Ending Balance w/ Loans And Bonds	\$108,843,895	\$216,621,366	\$205,792,002	\$184,257,509	\$177,598,378	\$172,869,015	\$137,951,445	\$195,920,279	\$243,386,285	\$259,248,734
Average High Cost Multiple (AHCM)*	0.11	0.21	0.20	0.17	0.15	0.14	0.11	0.15	0.18	0.19
Automation Surcharge			\$13,000,000	\$13,000,000	\$13,000,000					

DOL/ETA/OWS

Revised 07/24/2008

Based on actual data through 06/30/2008

* The Average High Cost Multiple (AHCM) is defined as the ratio of the "Trust Fund as a Percent of Total Wages" (Reserve Ratio) to the Average High Cost Rate (AHCR). The USDOL provided Average High Cost Rate is the average of the three highest benefit cost rates in the last twenty years (or a period including three recessions, if longer). Benefit cost rates are benefits paid (including the state's share of extended benefits but excluding reimbursable benefits) as a percent of total wages in taxable employment.